cline at the end of the financial year 1989-90 and that some of the banks are going into red;

(b) if so, by what percentage, profits of the public sector banks are likely to decline as against the projections, if any ;

(c) what is comparative decline in the profits during the financial years 1987-88 and 1988-89 ;

(d) what are the main reasons for decline in profits ; and

(e) what measures are being contemplated by Government in this regard ?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) to (c) Since the public sector banks are required to prepare their final accounts for the year 1989-90, at the end of 31st March, 1990, the profitability position for this year will be available some time after the end of the year.

The public sector banks have been earning profits for the last several years. Their published profits which stood at Rs. 192.23 crores in 1986 have progressively increased to Rs. 261.80 crores in 1987 and to Rs. 364.90 crores in 1988-89(at the end of the March, 1989).

Export of Chromite Ore

*53. SHRI BISHAMBHAR NATH PANDE : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether it is a fact that large quantities of valuable chromite ore, which is used in the manufacture of off-shore oil rigs and Inter-Continental a Ballistic Missiles, is being exported to Japan and other foreign countries by Tata Iron and Steel Company Ltd.;

(b) whether it is also a fact that besides South Africa, Zimbabwe and USSR, Orissa is the only State in India where chromite deposits are found;

(c) if so, how many indigenous factories are processing chromite ore into charge ferrochrome;

(d) whether it is also a fact that production of charge chrome is meant for hundred percent exports;

(e) if so, how much foreign exchange has been earned by exporting charge chrome during the last three years, year-wise and factory-wise ?

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI DINESH GOSWAMI) : (a) TISCO does not directly export chromite ore. Export of chromite ore is canalised through the Minerals & Metals Trade Corporation of India Ltd. TISCO is one of the suppliers of MMTC.

(b) No, Sir. Chromite deposits are also located in other countries, Moreover, though Orissa is the principal depository of chromite reserves in the country, it is also available in other States like Karnataka, Tamil Nadu, Andhra Pradesh etc.

(c) Presently there are seven licensed units processing chromite ore into charge chrome/ferro chrome in the country.

(d) At present all charge chrome units licensed are 100% EOUS. Entrepreneurs are eligible to seek licence for production for domestic consumption also.

(e) As per information available, during the last three years the export earnings on charge chrome were of the following order :

(Rs. in crores)

Name of Unit	*1986-87*	*1987-88*	*1988-89*
1. Ferro Alloys Corporation Ltd.	27	25	62
2. Indian Metals & Ferro Alloys Ltd.	—	—	27
3. OMC Alloys Ltd.	2	13	21
Total :	29	38	110

Pepsi Cola Project

*54. SHRI SATYA PRAKASH MALAVIYA : Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state :

(a) whether Government have assessed the utility and working of the agreement entered into between Pepsi Cola and the Punjab Agro-Industries Corporation for setting up of Food Processing Industries in Punjab;

(b) if so, what are the details thereof; and

(c) whether there is any proposal to permit Pepsi Cola to diversify its products in collaboration with some other Indian Companies?

THE MINISTER OF TEXTILES WITH ADDITIONAL CHARGE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV): (a) and (b) Vide letter dated 19th/28th September, 1988 Government had approved the terms of collaboration between M/s. Punjab Agro-Industries Corporation with M/s. Pepsico Inc. USA in the context of the letter of intent given to M/s. Punjab Agro Industries Corporation for setting up of a project for the manufacture of processed potato/grain foods, soft drink con centrate, processed fruit/vegetable products. Amongst the principal conditions to which this approval was subject were the following :—

(i) (a) Foreign Equity: 39.89%

(b) M/s. Punjab Agro Industries Corporation will invest 36.1% and M/s. Voltas Limited will invest 24 per cent.

(ii) Lumpsum payment : US $8,00,000 (net of taxes) with tax liability to be borne by the Indian company.

(iii) Duration of agreement : 10 years.

(iv) The turnover from Soft Drink Concentrate manufacturing shall in no year exceed 25% of the total turnover of the company for that year.

(v) The project shall export 50% of its total turnover each year for a period of ten years from the commencement of commercial production of which 40% will be from the company's own manufactured products and 10% from Select List products manufactured by others. The foreign exchange inflow shall not be less than 5 times the foreign exchange outflow of the project during the above mentioned ten year period.

(vi) There shall be no import of proprietory ingredients to manufacture soft drink concentrates and the raw materials available within the country shall be used to the maximum extent possible. The import of any raw materials and chemicals that are not available indigenously shall be regulated by the Import Policy in force from time to time and no special Import concessions shall be allowed.

(vii) Foreign brand names shall not be allowed to be used on domestic sales.